

Capital Planning Committee Meeting Minutes November 15, 2018

In attendance:	Stephen Andrew Joseph Barr Ida Cody Charlie Foscett Phyllis Marshall-Hartman Brian Rehrig Barbara Thornton Timur Yontar
Also in Attendance:	Steve Nesterak, Director of Facilities
Not in attendance:	Amy Fidalgo, Management Analyst Chris Moore Sandy Pooler

Meeting Opened: Charlie Foscett called the meeting to order at 5:10pm. The minutes of the meeting of November 1, 2018 were amended and unanimously approved.

Capital Planning and Facilities: The Committee welcomed Steve Nesterak, Director of Facilities, for a discussion of specific capital requests pertaining to facilities as well as current and future process in general.

Brian Rehrig began by noting the requests from Fire Chief Jefferson regarding the Park Circle Fire Station, in particular the air handlers, which the we understand that Facilities say will need replacing and that they be done 1 per year at the end of their useful life or, if sufficient funds exist, all at once. He asked which course of action is recommended and what process the CPC should follow for capital expenditures on facilities – currently we receive requests from department heads for facilities capex and we are asking whether Facilities has recommended these.

Steve Nesterak said that for years after FY20 he has accepted prior claims of expected useful lifetimes (e.g. from operating manuals and specs when the initial work was done) and provided Facilities’ best estimate of cost for maintenance or replacement, and what’s missing is a full 5-year plan for the Fire Station. More broadly for Town buildings in FY20 he has encountered different levels of expertise from department heads on sources of funds, uses of funds, and how to figure out what needs to be done (e.g. how to use OnSite Insight), which is further complicated because they go through this exercise only once a year. He does not focus on source of funds, but what’s important for planning purposes is that the source of funds not be “choppy” – for example, Town Hall’s 5-year facilities plan is not consistent but rather changes every year. While it can change, it should be doing so incrementally and rarely.

Charlie Foscett framed the CPC’s question as, “has Facilities vetted the issues that the departments are asking for; are they real, and what are their priorities and timing”? Steve Nesterak said he has provided the departments with a standard template for 5-year plans and costs as well as notes if more information is needed, but hasn’t yet had to take the “tough love” step of recommending choices.

Charlie Foscett raised the issue of underspending – when capital expenditure costs come in less than budgeted – there’s an urge to repurpose the funds, but doing so may not necessarily be in line with the

wishes of Town Meeting or of the bondholders. Steve Andrew noted that the best use of the “extra” funds may not necessarily be in the same department or even pertain to facilities. Steve Nesterak went over the 5-year plan for Town Hall – which the CPC had not seen before in detail but only as the top-level \$100k/year request – and showed examples of discrepancies between what was budgeted and what was spent. Charlie Foscett requested that CPC get the \$900k 5-year plan for Town Hall from Sandy Pooler.

Brian Rehrig asked whether department heads should think of their facilities as “owners” or “tenants” for building maintenance purposes. Steve Nesterak said that the “tenant” approach is common in corporate real estate and might sit well with some departments but not with others.

The CPC discussed specific facilities requests with Steve Nesterak – Police, Fire, Parks & Recreation, Senior Center – and agreed that the best course of action this cycle would be for us to compile a single list and to send them to Facilities for review and approval. Steve Andrew suggested that in the future it may be best either to have Steve Nesterak in the room when discussing facilities capex requests with department heads or to have his prior signoff on them. Phyllis Marshall-Hartman added that it would help to know the relative priorities of the facilities projects.

Subcommittee Reports: Administration: Barbara Thornton reported on the responses from the various department heads to the CPC’s questions.

Regarding Libraries, she noted that the proposal is for a 1-story Fox library because that is what the MBLC might reimburse a portion of costs for – other non-library functions that may require a taller building would not be eligible for reimbursement. Brian Rehrig pointed out that the Robbins library capex figures are currently only for hard costs, so should they be incremented by 30%-40% to cover soft costs? Both he and Charlie Foscett asked that the Library department provide the design and/or planning document for the Robbins proposal.

Regarding the Town Manager request for website enhancements, which is for \$5k/year but also lists a one-time \$10k spend on “Site Improve,” both Charlie Foscett and Brian Rehrig questioned whether the expenses were capital, or whether they were for services, and requested that Sandy Pooler provide more information.

No preliminary votes were taken.

Meeting Adjourned: The meeting was unanimously adjourned at 7:09pm.